



CITY OF HOUSTON

Administration and Regulatory Affairs Department
Strategic Purchasing Division

Annise D. Parker
Mayor

Calvin D. Wells, Deputy Director
City Purchasing Agent
P.O. Box 1562
Houston, Texas 77251-1562

F. 832.393.8755
<https://purchasing.houstontx.gov>

March 4, 2010

Subject: Letter of Clarification No. 1
ROLLS ROYCE TURBINE ENGINE REPLACEMENT PARTS, OVERHAUL OR
EXCHANGE AND REPAIR SERVICES FOR THE POLICE DEPARTMENT

Reference: Invitation to Bid (ITB) No.: S21-S23543

To All Prospective Suppliers:

This Letter of Clarification is issued for the following reason:

- To revise the above referenced solicitation as follows:
 1. To extend the bid opening date from Thursday March 11, 2010 to Thursday March 18, 2010.
 2. **Delete** pages 4, 5, and 13, and **replace** with revised pages 4, 5, and 13 dated March 4, 2010.
 3. In Section C, Article 12.0, 12.1 and 12.2 are **deleted** in their entirety.

This Letter of Clarification will be considered part of the solicitation referenced above.

Furthermore, it is the responsibility of each Supplier to obtain any previous Letter(s) of Clarification associated with this solicitation.

Laura Marquez
Procurement Specialist
Strategic Purchasing Division
832-393-8743

LM:DRH:lm

SECTION B.

CITY OF HOUSTON TECHNICAL SPECIFICATIONS FOR ROLLS ROYCE TURBINE ENGINE REPLACEMENT PARTS, OVERHAUL OR EXCHANGE AND REPAIR SERVICES FOR THE POLICE DEPARTMENT

1.0 SPECIAL REQUIREMENTS:

- 1.1 The successful bidder must be at least a Rolls-Royce Authorized Maintenance Center (AMC) prior to the award of this solicitation.
- 1.2 The successful bidder shall provide to the City free of charge:
 - ◆ One (1) each – Operation & Maintenance Manual, Publication #10W2, with revision service for the term of the award.
 - ◆ One (1) each Illustrated Parts Catalog, Publication #10W4, with revision service for the term of the award.
 - ◆ One (1) each Service Bulletins Set, Publication #CEB250C20, and
 - ◆ One (1) each Service Letters Set, Publication #CSL250C20.

2.0 OVERHAUL/EXCHANGE SERVICES:

- 2.1 Supplier agrees to overhaul and maintain engines in accordance with the requirements and standards stated elsewhere in this solicitation. The specific tasks that the Supplier shall be required to perform on any given job may include, but shall not be limited to one or more of the following:
 - 2.1.1 Complete overhaul of an engine including receiving, disassembly, cleaning, inspection, re-assembly, preparation for test and test run, final inspection and preparation for shipment. The overhaul must include all accessories that accompany engine, including but not limited to fuel pump, fuel nozzle, anti-icing valve, lube oil check valve, thermocouple harness, accumulator, oil pressure reducer, burner drain valve, oil filter assembly, P.C. filter, compressor bleed valve and ignition system.
 - 2.1.2 The overhaul includes disassembly, inspection, cleaning, assembly, testing, compliance with all CEB's and preparation for shipment. Service shall include complete overhaul of the engine modules listed below.

Turbine Section	Engine Fuel Nozzle
Compressor	Bleed Valve
Compressor Halves	Fuel Control
Governor	1750 Overhaul
Fuel Pump	Gear Box 5250
 - 2.1.3 Exchange of units listed will occur upon authorization by the Budget Coordinator, Air Support Division.

3.0 REPAIR AND REPLACEMENT OF ENGINE COMPONENTS:

- 3.1 While performing any job under this award, and in addition to the work requested under the materials clause, Supplier shall (1) perform any repairs necessary to enable an engine or an engine component to perform in accordance with manufacturer's specifications for a new engine and (2) replace any parts which are defective or which, according to the manufacturer's specifications or recommendations, should be replaced at the time Supplier is performing the job.
- 3.2 All repairs will be made with Original Equipment Parts (OEM) parts. The Air Support Division, however, retains the right to authorize; on a case-by-case basis, the use of Federal Aviation Administration (FAA) approved equivalent parts, which have been approved for use in Rolls-Royce engines, when using such parts is deemed to be in the City's best interest.

4.0 SPECIAL REQUIREMENT FOR TESTING OF ENGINES:

Any engine/module which the Supplier overhauls pursuant to this award shall be tested by running on a certified test stand prior to return to the City. This test run shall be performed for the period of time that is recommended in the Rolls-Royce Maintenance and Overhaul Manual. During the test run, the engine must perform full in accordance with the specifications promulgated by the manufacturer for a new engine. If the engine fails the test run, Supplier shall correct the malfunction at no additional cost and repeat the test run procedure until the engine has passed the test. Additionally, the engine must produce a minimum of 5% @take off above the manufacturer's rated shaft horsepower and appropriate documentation of such must be provided upon the delivery of the engine.

5.0 PRESERVATION OF ENGINES AND ENGINE COMPONENTS:

Supplier recognizes that engine and engine components upon delivery to the Police hangar are stored for several months prior to installation in a helicopter. Accordingly, prior to shipment to the Police hangar (or if the engine component is overhauled in a mobile unit at the Police hangar, prior to delivery), Supplier shall apply adequate preservatives to protect the engine and engine component for a ninety (90) day period and/or the period of time specified by the Budget Coordinator, Air Support Division.

6.0 PRICE ADJUSTMENT FOR LINE ITEMS (ITEM NOS. 1 THRU 10):

6.1 Direct Cost:

In this section means Supplier's cost from the manufacturer of any item or if Supplier is the manufacturer, the cost of raw materials required to manufacture the item, plus costs of transportation from manufacturer to Supplier and Supplier to the City.

6.2 Price Decreases:

6.2.1 If the Supplier's Direct Cost **decreases** at any time during the term of this award, Supplier shall **immediately** pass the decrease on to the City and lower its prices by the amount of the decrease in Direct Cost.

6.2.2 The Supplier shall notify the City Purchasing Agent of price decreases in the same way as for price increases set out below. The price decrease shall become effective upon City Purchasing Agent's receipt of Supplier's notice.

6.3 Price Increases:

6.3.1 Suppliers may request a price increase after (12) months from the bid opening date of the bid received by the City Secretary of the City of Houston. Subsequent price increases may be requested (12) months from the date of the previous approved price increase. The amount of the first increase shall not exceed actual documented increase in Supplier's Direct Cost and shall not ever be more than 10% above the previous bid price. The amount of the subsequent price increase shall also not exceed this percentage.

6.3.2 To request a price increase, Supplier must submit a letter setting the amount of the increase, along with an itemized list of any increased prices, showing the Supplier's current price, revised price, the actual dollar difference and the percentage of the price increase by line item. Documentation from the Supplier's supplier(s) showing the actual dollar increase/decrease to the Supplier must accompany this request. Such documentation from the Supplier's supplier must clearly show the dollar increase incurred by the Supplier on the applicable award per item bid. The letter and documentation shall be sent to the following address:

GENERAL TERMS AND CONDITIONS FOR ROLLS ROYCE TURBINE ENGINE REPLACEMENT PARTS, OVERHAUL OR EXCHANGES AND REPAIR SERVICES FOR POLICE DEPARTMENT, CONTINUED:

20.0 SAMPLES:

- 20.1 If requested by the City, the two (2) apparent low Bidders will be required to submit samples of the items proposed within seven (7) days of such request. The samples will be used to determine if the proposed items meet the specifications stated herein.
- 20.2 **If the Bidder fails to provide samples within the seven (7) day period, as required, the City may reject your bid and not consider it for further evaluation.**
- 20.3 These samples, if not subject to destructive testing, will be returned to the supplying Supplier. A notice will be mailed to the Supplier when samples are ready to be released by the City. Supplier will have fourteen (14) days to redeem the samples. If samples are not redeemed within this time period the City cannot be responsible for condition or loss of the subject items.

21.0 WARRANTY:

A minimum warranty of twelve (12) months from Supplier and the manufacturer's warranty will be furnished on materials and workmanship shall be provided. The warranty period shall begin upon the item being placed into service (installed in an aircraft), the date of which will be substantiated and supported by proper documentation from the Air Support Division. Any warranty work is to be completed within thirty (30) working days after receipt of item.

22.0 RELEASE:

PRIME SUPPLIER AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

23.0 INDEMNIFICATION:

- 23.1 PRIME SUPPLIER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:
- (1) PRIME SUPPLIER'S AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1-3, "PRIME SUPPLIER") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
 - (2) THE CITY'S AND PRIME SUPPLIER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER PRIME SUPPLIER IS IMMUNE FROM LIABILITY OR NOT; AND
 - (3) THE CITY'S AND PRIME SUPPLIER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER PRIME SUPPLIER IS IMMUNE FROM LIABILITY OR NOT.
- 23.2 PRIME SUPPLIER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. PRIME SUPPLIER'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. PRIME SUPPLIER SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.